

June 10, 2002

Mr. Ralph E. Beedle
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SUBJECT: NEI STEAM GENERATOR GENERIC CHANGE PACKAGE

A significant issue was recently raised during the staff's review of the NEI Steam Generator (SG) Generic License Change Package (GLCP). This package was originally submitted for NRC review and approval on February 4, 2000¹, with revisions submitted December 11, 2000².

The concerns relate to proposed administrative technical specification 5.5.10, "Steam Generator Program." As proposed, the administrative technical specification requires that tube integrity performance criteria, tube repair limits, and tube repair methods be established and implemented as part of the SG Program. (A forthcoming revision to the GLCP is expected to add "maximum inspection interval limitations" to this list of parameters.) These parameters would be physically located outside of technical specifications in the technical specification BASES (or other documents outside the technical specifications). Initial values of these parameters would be reviewed and approved by the staff when licensees submit their plant-specific change packages. The administrative technical specification would permit licensees to implement changes to these parameters subject to prior NRC review and approval, either on a plant specific or generic basis, subject to any limitations or conditions set forth in the staff's approving document.

The intent of this approach was that changes to the above mentioned parameters would not involve technical specification amendments since no actual change to the technical specifications would be needed. Most importantly, this approach was intended to permit implementation of changes that had been reviewed and approved by the NRC for generic applicability. For example, licensees could implement, without an amendment, changes to parameters in accordance with an industry topical report which itself had been reviewed and approved by the staff.

¹ NEI Letter dated February 4, 2000, David J. Modeen (NEI) to Samuel J. Collins (NRC), "Industry Steam Generator Generic License Change Package."

² NEI Letter dated December 11, 2000, David J. Modeen (NEI) to Samuel J. Collins (NRC), "Revised Industry Steam Generator Generic License Change Package."

However, this approach would make the technical specification BASES (or any other document containing the approved values of the above-mentioned parameters) appear as though it were part of the technical specifications since revision to the afore-mentioned parameters would be prohibited by the technical specifications without prior NRC review and approval. In addition, this approach would set up a change process outside the established 10 CFR 50.90 amendment process. The approach also conflicts with the established improved standard technical specification (STS) bases control program which makes the BASES a licensee controlled document using 10 CFR 50.59 control.

In addition, the staff has also determined that this approach is contrary to the Commission's Perry decision and NRC policy. The Perry decision provides that opportunity for requesting a hearing must be afforded in cases requiring NRC approval when such approval would grant the licensee greater operating authority or would otherwise alter the original terms of the license. The staff's concern is that, for the proposed administrative technical specification, changes to the subject parameters may reasonably be construed as crossing one or both of these thresholds.

Also, it is NRC policy that parameters which are safety significant and subject to NRC staff review and approval should be controlled through the license amendment process. It is also staff policy that public confidence considerations dictate that changes to such parameters be controlled through the license amendment process.

Accordingly, the staff concludes that the proposed technical specifications in the GLCP should be revised to identify the approved performance criteria, maximum inspection intervals, tube repair criteria, and tube repair methods. Changes to these parameters would, therefore, necessitate amending the technical specifications. In addition, the staff concludes that the proposed generic approval process in the GLCP is inappropriate. A plant-specific technical specification amendment would be necessary, even in cases where the licensee is proposing to implement a change as defined in an industry topical report which has been reviewed and approved by the NRC staff. Note, however, that the NRC Consolidated Line Item Improvement Process (CLIIP) process can be used in such situations to expedite staff approval of such plant-specific amendments.

We request that the GLCP be revised to reflect the staff's positions above. The staff will address any questions concerning its positions at the upcoming June 13, 2002 public meeting between NRC staff and NEI regarding steam generators issues.

R. Beedle

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If you have any questions please contact Emmett Murphy of my staff on (301) 415-2710.

Sincerely,

/RA/

Charles Casto, Director (Acting)
Division of Engineering

R. Beedle

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Sincerely,

/RA/

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Division of Engineering

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